



## The ISBI- Managing Your Money

**By William R. Atwood, ISBI  
Executive Director**

The Illinois State Board of Investment (ISBI) was created in 1970 to manage the pension assets of the State Employees' Retirement System, the Judges' Retirement System and the General Assembly Retirement System.

The ISBI is an independent agency whose mission is to achieve an actuarially assumed rate of return (currently 8.5%), while assuming the lowest possible risk and applying the highest standards of ethics and accountability.

The assets under ISBI's authority total approximately \$10.8 billion. These assets are invested in a diversified portfolio of global stocks & bonds, real estate, private equity, and cash.

None of ISBI's assets are invested internally. Instead, they are deployed through the utilization of various money managers and investment advisors. The assets are deposited at ISBI's custodial bank, State Street Bank and Trust Company, the largest such custodian in the world.

## Optional Life Insurance Program

On October 21, 2005, the State Employees' Retirement System will mail information to all of its retirees about the National Conference of Public Employee Retirement Systems (NCPERS) voluntary optional term life insurance program.

This life insurance plan is designed to supplement other life insurance you may have through the State of Illinois or purchased on your own. It is a level premium-decreasing term life plan at a cost of \$16.00 per month.

The monthly cost remains the same regardless of your age. Coverage for

your eligible dependents is also included in your premium amount.

You don't need to answer any health questions or take a medical exam if you enroll during this one-time

open enrollment period. Coverage is effective on the first day of the month following your retirement benefit deduction.

***This plan will only be offered to SERS retirees***

***once and your election must be made by January 31, 2006.*** For specific answers to your questions, please call 1-800-525-8056.

*The program is totally voluntary and is available on a one-time only election to retirees.*

ISBI is comprised of a nine-member Board and a staff of investment professionals. Edward Smith is the Board's Chairman and its Executive Director is William Atwood. There are four committees, including the Audit and Compliance Committee, Hon. Thomas Hoffman, Chair; the Emerging Manager Committee, Allison Davis, Chair; the Investment Policy Committee, Edward Smith, Chair; and the Executive Committee, which is also chaired by Mr. Smith.

Other members of the Board include Jack Mazzotti, Chairman of the State Employees' Retirement System, Hon. Kurt Granberg, Chair of the General Assembly Retirement System; Hon. Judy Baar Topinka, State Treasurer; Ron Powell; Guy Alongi; and one vacancy.

## SERS Legislation



During the 94th session of the General Assembly, several pension-related bills passed both the House and the Senate that affect SERS members. To read any of these bills in their entirety, visit our website at [www.state.il.us/srs](http://www.state.il.us/srs).

The most significant piece of legislation is SB27 which reduces the employer contribution to SERS in FY06 & FY07. This shortfall will have to be made up with transfers from the Illinois State Board of Investment.

The bill also requires all future benefit increases to be fully-funded by an identified funding source.



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**Circle the 2006 MRR Workshop That You Would Like to Attend**

*Please disregard the numbers in parentheses. They are for internal office use.*

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Jan. 26	Bloomington (89)	Jul. 25	Springfield (01)
Feb. 2	Chicago (02)	Jul. 27	East Peoria (82)
Feb. 7	Springfield (01)	Aug. 3	Taylorville (27)
Feb. 28	S. Jacksonville (39)	Aug. 15	Collinsville (15)
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Mar. 9	Rock Falls (66)	Aug. 29	Springfield (01)
Mar. 15	Tinley Park (95)	Aug. 31	Chicago (02)
Mar. 21	Carbondale (06)	Sep. 14	Effingham (67)
Mar. 28	Springfield (01)	Sep. 19	Macomb (29)
Apr. 5	Glen Ellyn (71)	Sep. 27	Mt. Vernon (32)
Apr. 13	Fairview Heights (18)	Oct. 13	Galesburg (23)
Apr. 20	Joliet (47)	Oct. 18	Moline (46)
Apr. 25	Springfield (01)	Oct. 25	Schaumburg (77)
May 9	Quincy (36)	Oct. 31	Chicago (02)
May 11	Chicago (02)	Nov. 1	Rockford (90)
May 18	Utica (30)	Nov. 8	Joliet (47)
May 23	Mt. Vernon (32)	Nov. 16	Bourbonnais (25)
Jun. 1	Urbana (34)	Nov. 21	Peoria (13)
Jun. 15	Normal (33)	Nov. 29	Chicago (02)
Jun. 20	Tinley Park (95)		

*To help make your retirement years more meaningful and rewarding, SRS offers the **Myths and Realities of Retirement** workshop to retirees, survivors, disability benefit recipients and their guests.*

*This free, one-day workshop examines financial scams, the effects of inflation, estate planning, group insurance benefits, and health & leisure.*

*If you would like to attend an MRR workshop, complete the application and return it to us. After you are registered, we will confirm your enrollment by letting you know the exact workshop location.*

Name \_\_\_\_\_

Social Security Number \_\_\_\_\_

Are You Bringing a Guest? \_\_\_\_\_

**Return This Form To:**

State Retirement Systems, Field Services Division  
2101 S. Veterans Parkway, P. O. Box 19255  
Springfield, IL 62794-9255  
217-785-6979 Fax: 217-785-7019